

Chairman Vap called the regularly scheduled meeting to order at 10:05 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present.

#### GENERAL ADMINISTRATION

Notice was duly published March 30, 2004, on Page 8 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held April 6, 2004, at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

#### Tuesday, April 6, 2004:

- MCC-3153 Commission Hearing Room, Lincoln.  
1:30 Andy S. Pollock, Director, Transportation Department, Nebraska Public Service Commission, Lincoln, Complainant, vs. Fantasy Limousine, Laidback Limousine, N.E. Nebraska Daycare, Nebraska City Chamber of Commerce, R & J Limo Services, Inc., Tree City Cab Company, VIP Limo Service (Crofton), Wade Bus Lines, Windstar Lines, Inc., All-Star Moving & Storage, Benson Transfer & Storage Co., Fitch Trucking, Inc., Mike's Moving, Inc., Movers Not Shakers, Murphy Moving, Select Van & Storage Co., and Smitty's Van & Storage Co., Defendants. Commissioner Landis chairing.
- C-3050 Commission Hearing Room, Lincoln.  
2:00 Qwest Corporation seeking authority to amend its Certificate of Public Convenience and Necessity to provide local exchange service in all exchanges within the State of Nebraska in which Qwest is not currently a certified local exchange carrier. Commissioner Boyle chairing.

#### COMMUNICATIONS DEPARTMENT

Cheryl Elton updated the Commission on the telecommunications complaints received in the preceding month.

- C-2940 In the Matter of the Commission, on its own motion, seeking to determine whether the retail service quality provided by Alltel is adequate: Don Gray informed the Commission that Alltel's monthly service quality report for the month of January, 2004, had been received and provided an analysis of the information.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3096 In the Matter of Great Plains Communications, Inc., Blair, seeking a suspension or modification of the Federal Communications Commission requirement to implement wireline-wireless number portability pursuant to 47 U.S.C. Section 251(f)(2): Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson to enter an order denying motion for rehearing and/or reclarification. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

C-3125 In the Matter of Southwest Communications, Inc., Kansas City, Missouri, seeking authority to operate as a resale carrier of intrastate interexchange telecommunications services within the state of Nebraska: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

C-3132 to In the Matter of Arapahoe Telephone Company; Benkelman  
C-3143, Telephone Company, Inc.; Cozad Telephone Company;  
C-3146 Curtis Telephone Company; Diller Telephone Company;  
& C-3147 Glenwood Telephone Membership Corporation; Hartman  
Telephone Company; Keystone-Arthur Telephone Company;  
Mainstay Communications, f/k/a Henderson Coop Telephone Company;  
Plainview Telephone Company; Southeast Nebraska Telephone Company;  
Wauneta Telephone Company; Pierce Telephone Company and Hooper  
Telephone, d/b/a WestTel Communications, seeking suspension or  
modification of the Federal Communications Commission requirement to  
implement wireline-wireless number portability pursuant to 47 U.S.C.  
Section 251(f)(2): Motion made by Commissioner Frank Landis, seconded  
by Commissioner Lowell Johnson to enter an order granting interim  
relief. Motion passed with Commissioners Anne Boyle, Lowell Johnson,  
Rod Johnson, Frank Landis, Jerry Vap voting AYE.

C-3148 In the Matter of Qwest Communications, Denver, Colorado, seeking to revise depreciation rates: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

FC-1316 In the Matter of Nebraska Technology Operations Center, d/b/a Kearney.net, Kearney, vs. Citizens/Frontier Communications, Kearney, alleging a billing error: The hearing previously scheduled for a date later to be determined was reset for April 28, 2004, at 9:00 a.m. in the Commission Hearing Room, Lincoln. Commissioner Vap will preside as Hearing Officer.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3145 In the Matter of Southwestern Bell Communications Services, d/b/a SBC Long Distance, Pleasanton, California, seeking authority to operate and offer local exchange and exchange access telecommunications services throughout the State of Nebraska: A hearing was scheduled for May 10, 2004, at 2:00 p.m. in the Commission Hearing Room, Lincoln. Commissioner Frank Landis will preside as Hearing Officer.

Gene Hand informed the Commission that Qwest Communications had filed a petition with the Federal Communications Commission for interim rules on wholesale products and pricing.

Gene Hand informed the Commission about updates with the triennial review order. The Federal Communications Commission is pushing for negotiations and will seek a 45-day extension of the D.C. Circuit Court's decision.

Commissioner Boyle discussed a NARUC initiative to encourage parties to negotiate, thereby avoiding further litigation and providing some certainty to the marketplace.

Gene Hand discussed Network Nebraska and provided an updated draft of the Network Nebraska brochure.

Engineering Division

E-2035 In the Matter of KBR Rural Public Power District, Ainsworth, seeking to construct, operate and maintain an electric transmission line in Brown County: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

E-2036 In the Matter of Lincoln Electric System, Lincoln, seeking to construct, operate and maintain an electric transmission line in Lancaster County: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

E-2037 In the Matter of Loup River Public Power District, Columbus seeking to construct, operate and maintain an electric transmission line in Platte County: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

COMMUNICATIONS DEPARTMENT (Cont.)

E-2038        In the Matter of Norris Public Power District, Beatrice, seeking to construct, operate and maintain an electric transmission line in Saline County: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

UNIVERSAL SERVICE FUND

Jeff Pursley reported on Late-Filed Carrier Remittances. Motion made by Commissioner Frank Landis, seconded by Commissioner Rod Johnson to amend the NUI complaint in docket NUSF-37.22 to include the late-filed worksheets of January and February, 2004. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

Jeff Pursley reported that a Nebraska Universal Service Fund Advisory Board Meeting was scheduled for April 22, 2004, at 2:00 p.m. in the Commission Library, Lincoln.

Jeff Pursley reported that the remittance audit for Wireless II LLC, d/b/a/ Nebraska Wireless, NE Colorado Cellular Inc., was received on April 1, 2004.

Jeff Pursley reported on the number of participants that have been enrolled in the Nebraska Telephone Assistance Program (NTAP) through the Health and Human Services (HHS) pre-certification program.

NUSF-26        In the Matter of the Commission, on its own motion, seeking to establish a long-term universal service funding mechanism: Jeff Pursley reported on the comments received April 2, 2004, and informed the Commission that a Hearing Officer's Order was issued April 5, 2004, extending the time for comments until April 16, 2004, for the NICE-BCS group.

NUSF-33/       In the Matter of the Commission, on its own motion, seeking  
PI-68        to investigate the audit requirements related to the  
             Nebraska Universal Service Fund: Commissioner Landis  
             inquired as to the status of the investigation of audit procedures.  
Mr. Pursley stated that there is an ongoing analysis of the responsibilities of the third party auditor.

## NATURAL GAS DEPARTMENT

NG-0020/ In the Matter of the Commission, on its own motion, seeking  
 PI-80 to conduct a review related to a settlement agreement among  
 the State of Nebraska, acting by and through the Governor's  
 Policy Research Office; the Nebraska Public Service Commission; and  
 Kinder Morgan, Inc., a Kansas corporation: Laura Demman updated the  
 Commission on this docket which was addressed on the general  
 administration agenda.

NG-0019 In the Matter of the Petition for Declaratory Ruling of  
 Metropolitan Utilities District of Omaha (MUD), seeking a  
 determination that Neb. Rev. Stat. §§ 57-1302 through 57-1307 and Neb.  
Rev. Stat. § 66-1849 and Neb. Admin. Code, Title 291, Chapter 9,  
 Sections 003.01 through 003.11 and Section 009.01 do not apply to a  
 natural gas supply and transportation arrangement between MUD and  
 Nebraska Public Power District (NPPD): Laura Demman reported that the  
 transcript is to be delivered to parties April 6, 2004, making the  
 10-day deadline for submission of post-hearing briefs, Friday,  
 April 16, 2004.

Laura Demman provided a report on the nature and number of  
 natural gas consumer complaints and inquiries received during the  
 month of March.

## WEB AND TECHNOLOGY

Tyler Frost reported on the Commission web page utilization  
 statistics, online complaint usage and corresponding agency savings  
 and ongoing work efforts to provide additional information  
 electronically to the public via the web.

## LEGISLATIVE REPORT

Andy Pollock reported on the status of pending legislation.

## GRAIN WAREHOUSE DEPARTMENT

Motion made by Commissioner Lowell Johnson, seconded by  
 Commissioner Frank Landis to enter an order granting the following  
 Grain Dealer licenses, subject to the fulfillment of all statutory  
 requirements for the license period ending June 30, 2004. Motion  
 passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson,  
 Frank Landis, Jerry Vap voting AYE.

SECURITY

GD-2161	Dennis Partners, Inc. dba O'Neill Grain Co., O'Neill	\$ 35,000
GD-2876	Frontier Cooperative Company, Brainard.	\$300,000

GRAIN WAREHOUSE DEPARTMENT (Cont.)

GW-93            In the Matter of The Keene Coop Grain & Supply Co., Axtell, seeking authority for a special storage rate: A telephonic hearing was scheduled for May 11, 2004, at 11:30 a.m. in the Commission Hearing Room, Lincoln.

TRANSPORTATION DEPARTMENT

B-1615           In the Matter of Terry Lee Blakey, dba Need A Lift Transportation, Omaha, seeking authority as a common carrier of passengers in open class service by van between points in Cass, Douglas, Sarpy and Washington Counties over irregular routes. RESTRICTION: The transportation of railroad train crews and their baggage is not authorized: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis to enter an order to dismiss the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

MR-1009/        In the Matter of the Commission, on its own motion, initiating an investigation on range uniformity in the Official Intracity Household Goods Tariff 22, and to develop procedures for efficiently processing household goods mover tariff amendments: A video hearing was set for April 14, 2004, at 3:00 p.m. in the Commission Library, Lincoln, and the Nebraska State Office Building, Room 207, 1313 Farnam Street, Omaha. Commissioner Boyle will preside as Hearing Officer.

Rate Division

MR-930           In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-F. The fuel surcharge was retained at 18 cents per mile and the taxi surcharge at 35 cents per trip.

GENERAL ADMINISTRATION

The Commission approved the following invoices:

DAS - Materiel	\$ 421.55
Ted Burkey	770.00
Commonwealth Electric Company	691.80
Kelly Services	406.88
Kent Pribyl	678.60
Anne Boyle	450.00
Frank Landis	1,308.59

Upon agreement of all Commissioners, Commission minutes for the month of February, 2004, were approved.

GENERAL ADMINISTRATION (Cont.)

Upon agreement of all Commissioners, authorization was granted for Kara Thielen to attend the NENA Critical Issues Forum to be held in Salt Lake City, Utah from May 23-25, 2004.

Upon agreement of all Commissioners, a resolution was entered adopting a new bill paying policy.

The Commission discussed budget matters.

Commissioner Frank Landis moved that the Commission go into closed session to discuss personnel and litigation issues and Commissioner Lowell Johnson seconded the motion. Upon agreement of all Commissioners, the Commission went into closed session at 11:01 a.m.

Commissioner Rod Johnson moved that the Commission return to open session and Commissioner Lowell Johnson seconded the motion. Upon agreement of all Commissioners, the Commission returned to open session at 11:26 a.m.

NG-0020/ In the Matter of the Commission, on its own motion, seeking  
PI-80 to conduct a review related to a settlement agreement among  
the State of Nebraska, acting by and through the Governor's  
Policy Research Office; the Nebraska Public Service Commission; and  
Kinder Morgan, Inc., a Kansas corporation: Upon agreement of all  
Commissioners, an order was entered granting the Executive Director  
authority to execute the proposed settlement agreement and to make  
minor changes and to discuss a modification with Kinder Morgan that  
would clarify that Kinder Morgan may not recover certain litigation  
expenses beyond those recovered pursuant to the agreement in any rate  
case or otherwise.

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The meeting adjourned at 11:30 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. The next regularly scheduled meeting will be held on April 13, 2004, at 10:00 a.m. with an agenda to be available in the Commission Hearing Room, Lincoln, at 10:00 a.m. on April 13, 2004.

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Chairman

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Executive Director